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10 September 1976

FINAL TYPING.

MOST OF SPEECH IS UNINTELLIGIBLE

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I would like to thank Lyman Kirkpatrick for that warm introduction. What I didn't tell Lyman was that when I received this cable that told somebody about it in Peking. This was in November, suggesting that I was going to be nominated for this job. I frantically tried to find things to read and sent off cables that got no responses but from Bill Colby who is here today. I am very pleased to say, somewhat inhibited I might say, standing as his successor is never easy because he did a spectacular job, but Bill sent out some reading primers, you know, to bring me along, and of course there were two books, I believe, by Lyman in there which proved enormously helpful.


So I am privileged to be introduced by him, and I know his interest in this organization. I expect I would be presumptuous' to speak for Dave Phillips whom I admire enormously but I expect I can when I say that having Lyman Kirkpatrick as actively involved in this as he is is an enormously good thing for the Retired Intelligence Officers Association, and I of course am honored to be at -- we don't have head tables at ARIO I am told -- but I am honored to be at this round one up here anyway with Mr. Griswold, whom I have admired for many, many years.

Let Me just make a few comments about the Intelligence Community and where we stand right now. There have been some

changes. I have been in this job since the first of February. We have had many changes in personnel at the top levels in the Agency. There has been one particularly important substantive change, in terms of controlling and running the community, intelligence community and that is the concept of the two deputies. Hank Knoche, who is the deputy DCI confirmed by the Senate, unanimously, is doing a first class job with his responsibility for day-to-day management of the Central Intelligence Agency. I learned early in life in this professional incarnation that the Director of Central Intelligence must, if his objectivity is going to be beyond question, (have ?) strong support from the CIA part of the intelligence community, and Hank and I sat down and talked about it.

We are both feeling our way along under a new arrangement, and talk about delegation of authority, you can take charge guys, running of the day-to-day management very well indeed, but he is also a very sensitive and thoughtful individual and the problems, the major problems that confront the Agency and the problems that properly should be brought to the attention of the Director are just very carefully thought out by him, and I'm satisfied that this new arrangement in terms of CIA can work very well. (sic).

There is another major change in a sense and that is that the other deputy, Dan Murphy, now a Four-Star Admiral, runs the Intelligence Community Staff. There has always been somebody



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running the Intelligence Community Staff, but this will now be elevated through legislation to a second confirmed by the Senate position. I can say with the same degree of enthusiasm that I hope I've conveyed to you that I have for Hank in the job he is doing, I have, I have had that same degree of enthusiasm about Admiral Murphy in his work. It is not easy to get the attention on behalf of the Director of people whose fitness reports you don't sign or salary you don't set or who you don't hire and fire, that kind of thing, and yet Admiral Murphy is tenacious. We think we know what the executive order promulgated by the President says, and we think we know what it means and are working very hard to implement it not only in the spirit but in the letter.

I can tell you that there is a growing feeling, that for the first time the Director has been given the tools with which to make budgetary decisions and hopefully have them stick. The Executive order has been the main paper that has changed this. It hasn't been at this juncture, because very little legislation has resulted from the Senate or House inquiry. More legislation may be forthcoming. I'll touch on that in a minute. But the Executive Order, I can report to you, and I hope I won't bore you to death.

As I travel some around the country and talk about the implementation of the Executive Order, it's normally the place where everybody yawns. But this group is so much better informed, having devoted so much of your lives to intelligence, and this order

created the Committee on Foreign Intelligence, and I serve as its Chairman. Bob Ellsworth, the Deputy Secretary for Defense, serves as a member and Bill Hyland, Brent Scowcroft's assistant on the NSC (unintelligible) serves as the other member.

This Committee on Foreign Intelligence has had many meetings. and in these meetings the program manager should come through, the CFI presented their budgets, we have made preliminary recommendations, and for the first time, as I indicated, and I think Bill Colby would agree, the process appears to be going forward in a way that the DCI, through this Committee on Foreign Intelligence, will be able to make budgetary decisions and thus set certain kinds of priorities.

The Community Staff is doing an awful lot of studies and work in terms of priorities for the future. Hopefully management (is the?) priority for the present. We are concerned about the community positions on things like security of information, and we are concerned about over-classification, and we go from there to different ways of collection for the future. I think if we do our business properly, if we are persuasive enough in this Committee on Foreign Intelligence, that the DCI will have more control over the entire National Foreign Intelligence program.

I should say a word about Congress. Lyman mentioned that in my eight and a half months in this job I have made some 37 official appearances before Congress, not counting the times when you go up

and do negotiating with individual members. That's a lot,
and it is too much.

Not that we want to stave off oversight but there is duplication and I have great confidence that the Senate Intelligence Committee which at this juncture as things work on the hill is a seventh reporting committee. It indeed proved to be the lead-in toward more consolidation to oversight. I happen to think consolidated oversight will not mean less but more through oversight, or as through oversight, and there won't be this duplication of saying the same thing to seven different committees. An so much of Senate Committee headed by Chairman Inouye and minority ranking member Howard Baker, I think is off to a promising start. They're serious. They ask for and insist on a lot of material and insist on getting it. But the adversary things, the idea that when we come out there, we are going to tear it out corruption, seems to be giving way to a more serious, I think, how can we make intelligence better. Oversight, yes; if they find something wrong, they are going to bring it out. They are going to make changes. They'll see that that kind of thing is corrected, but it is more serious than just that one thing. How can we help the legislative branch in strengthening the intelligence process, so when their investigators, or their subcommittees come out there is a changing reception for them in the Central Intelligence Agency and in other elements of the Community. They're coming

to find out the facts and hopefully this will resolve in legislation that benefits rather than tears down the intelligence process.

One thing that has been somewhat complicated for me as head of the Intelligence Community as DCI, is sorting out a proper balance between the low profile of Director and public appearances. I have tried to, on the advise of my Special Assistant and the advise of the top people of CIA and in the Community, tried to achieve a reasonable balance on this. My concept is that the Director of Central Intelligence, from time to time, must be available to the public. We can't sit back and complain about our treatment if we are not willing to respond to public inquiries and public attention.

On the other hand, there would be nothing worse than to take a foreign intelligence business or take the intelligence community and appear to be putting a gloss on it for public relations purposes that really is a thin veneer. To the degree that one can convey, the convictions I feel about the dedication in our organization, to the degree that I can tell people enthusiastically about the excellence that I find in CIA and other elements, I think perhaps that's a useful thing for the Director to do.

But it appears sometimes a television extravaganza, not only would it be detrimental to us in the intelligence business here at home, but it would be extremely difficult for those with whom we cooperate abroad to understand.

Both achieving this balance between being responsive and yet respecting the need for secrecy, and the need to keep certain things from being discussed, has not been easy. I have gotten some excellent advice on it and I hope that it is working reasonably well. Let me make just a few personal observations; very few before responding to questions.

I have been I was terribly concerned about a few stories that appear relating to a very sensitive study that CIA was doing. (sic). The allegation most recently in Aviation Week being that under direction of one of the policy makers, the Secretary Of State, CIA was changing from intelligence of some form to some kind of policy objective. Not true. It was salander, an outrage to the professionals with whom I am privileged to work in CIA. Nobody had brought pressure on the Director or on my predecessor to do this kind of thing regarding the study. Nobody would, in my view, and I am appalled that that kind of story is giving (unintelligible) because it is a slap at the Secretary of State in this instance. But I'm the Director of Central Intelligence and I see it as an enormous slap at the integrity of process and if national foreign intelligence is to mean anything it must be unfettered by policy constraints. It must get to the President unfiltered and I think it is. I'm on his schedule on a very regular basis and I feel totally free to say, here is the way the Intelligence Community feels about something.

Now you all figure out what the policy implications are, so when I see stories that challenge the basic integrity of my colleagues at CIA I feel inclined to compel them to speak out in opposition to this kind of shoddy reporting.

One of the problems we are having is in terms of secrecy. This is something that Bill Colby and other predecessors, and other heading other agencies in the Community, have to wrestle with. Secrecy legislation is a very sensitive thing; there is overclassification, and getting that in proper form is another very delicate fact. On one hand you have people saying don't do anything in the way of declassification because that is going to make it easier to give , to get access (sic) and on the other you have the kind of secrecy legislation.

As Director I feel upheld and mandated under the order to address myself only to declassification but to doing something sensible and reasonable, and certainly constitutional about the promulgation of legislation that will indeed protect the sources and methods. So this, or to support that kind of legislation on the hill, so I just wanted you to know, most of you see something different as intelligence officers, that this Director is not unmindful about the problems we have on both of these very sensitive areas. (sic).

I selected only a few random topics before answering or dodging them depending on what the questions may be. (sic) Laughter

I say to those of you who have devoted so much of your lives to this profession, which is so new to me: I have been involved in Congress, involved in politics, involved in the United Nations, involved in China, I have never been associated, ~~now~~ there is the military honor, (unintelligible) of intelligence or whether it's in the Central Intelligence Agency or whatever component of the entire Community, I have never been associated with more selfless dedication and at the same time more quality than I am right now, as Director of the Central Intelligence Agency. (sic)